

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 364 - SB 573

March 28, 2011

SUMMARY OF BILL: Changes the filing schedule for all state and local political candidates. Requires candidates and political campaign committees (PACs) for state and local elections to report any contribution received or expenditure made to the Registry of Election Finance within 14 days.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$25,000/One-Time

Decrease State Expenditures - \$1,000/Recurring

Local Expenditures – Net Impact – Not Significant

Assumptions:

- Creates a system where candidates and PACs will file on their own schedule as contributions are received and expenditures made.
- Eliminates six reports filed with the Registry during an election year and two reports filed in non-election years.
- Candidates and PACs will be required to disclose expenditures within 14 days of the expenditure being made and contributions within 14 days of a contribution being received.
- The electronic filing system for campaign finance (TNCAMP) will require updating based on the new reporting schedule. Currently the system is designed to permit certain reports to be filed at designated times. Under the bill, the system will be changed to an open filing system where reports will be made continuously.
- All costs for system updating will be paid to NICUSA which has the state contract for website development. NICUSA designed the TNCAMP electronic filing system used by the Registry.
- According to the Registry of Election Finance, TNCAMP must be updated to allow for the additional filing requirements for state and local candidates.
- The one-time cost to make the necessary changes and modifications to the TNCAMP filing system will be \$24,975 in programming costs. This estimate is based on 185 programming hours and programming costs of \$135 per hour (185 hours x \$135 per hour).

- Since reports will be filed by each candidate and PAC as needed, the Registry will no longer send out notices which will reduce mailing costs by approximately \$1,000 per year.
- It is anticipated that more reports will be filed at the local level than are currently filed. However, mailing costs will be reduced at each county election commission office since the election commission offices will no longer send out notices of filings due. The net impact to local government is expected to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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